

**HOPE VALLEY/WYOMING FIRE DISTRICT**

**996 MAIN STREET**

**HOPE VALLEY, RI 02832**

**MONTHLY BOARD MEETING**

**FEBRUARY 12, 2015**

**7:00 P.M.**

**Those present:** Board Members: Chairman, David Holt, Vice-Chairman, Pasquale DeBernardo, Georgia Ure, Paul Schaarschmidt; Chief, Fred Stanley; Auditor, Pete Stefanski; Treasurer, Deborah Nicotra; Tax Collector, Sue Bok; District Clerk, Julie Kelley

**Those not present:** Board Member: Elwood Johnson

The meeting commenced and was called to order by Chairman, David Holt at 7:00 p.m. with a salute to the flag and a moment of silence.

**MINUTES**

The minutes of the January 8<sup>th</sup> Monthly Board Meeting were presented. Ms. Ure motioned to accept the minutes as presented and Mr. Schaarschmidt seconded the motion. With no further discussion, all in favor, all aye, motion passed unanimously (4-0).

Mr. Holt-yes; Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Schaarschmidt-yes

The minutes of the January 29<sup>th</sup> Workshop Meeting were presented. Ms. Ure motioned to accept the minutes as presented and Mr. Schaarschmidt seconded the motion. With no further discussion, all in favor, all aye, motion passed unanimously (4-0).

Mr. Holt-yes; Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Schaarschmidt-yes

**TAX COLLECTOR'S REPORT**

The Tax Collector's report was presented for January 2015. A total of \$653,356.09 has been collected to date. Mr. DeBernardo motioned to accept the Tax Collector's Report as presented and Ms. Ure seconded the motion. With no further discussion, all in favor, all aye, motion passed unanimously (4-0).

Mr. Holt-yes; Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Schaarschmidt-yes

**TREASURER'S REPORT**

The Treasurer's report for January 2015 was presented. Mr. DeBernardo inquired about the Payroll-Expense under Special Handling-Payroll in the amount of \$26,880.00. Ms. Nicotra informed the board that this is for all the HazMat or Special training for the guys which comes through the payroll and then gets reimbursed. Ms. Ure motioned to accept the Treasurer's report as presented and Mr. Schaarschmidt seconded the motion. With no further discussion, all in favor, all aye, motion passed unanimously (4-0).

Mr. Holt-yes; Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Schaarschmidt-yes

**AUDITOR' REPORT**

The Auditor's Report was presented reflecting the Hope Valley/Wyoming Fire District Financial Statements as of June 30, 2014. The audit was conducted in accordance with general accepted auditing standards. The audit is to obtain reasonable assurance that the transactions are reported correctly. Mr. Stefanski thanked the board for having him this evening. The audit is presented without any qualifications.

Page 1, Balance Sheet, as of June 30, 2014, the cash balance is \$537,752; the balance is up \$57,000 from the previous year. These are the bank balances right from the bank statements. Taxes Receivables is \$69,348. The good news is that it is down \$53,000 from the previous year due to the 2013 and 2014 tax sales. Looking at the history in Yr 2012 we had Receivables of \$154,000, in Yr 2013 we had \$122,000 and at the end of Yr 2014 it dropped to \$53,000, so this is good news. The other good news is that the Taxes Receivables of \$69,348, only \$18,000 is from previous years. We have had some big improvements as last year the Receivables of \$122,000, 55% was from back taxes. The tax sales have been very beneficial in collecting those past due collectables. This report also reflects the Outstanding Payables and what is outstanding at that time, Encumbrances – Balance for Diamond T and a Balance

Collected for Depot Square Park Project as of June 30, 2014. Total Assets of \$558,633, were up slightly from last year. The Diamond T Encumbrance is done at this time and will be reflected as being expended on the next audit.

Page 2, Statement of Revenues, Total Revenues \$1,103,541, revenue is identified when the taxes are levied. These are all revenues for the General Fund and the Special Accounts, any money coming in including late charges are recognized as income for that year. In the case when back taxes are received the only thing recognized for this year would be the penalty and interest charges. The total revenues are up \$96,000 from last year. Between the Special Fema and HazMat Accounts it is up \$170,000 over last year. Reserve that we recognize from Richmond/Carolina and the sale of the pick-up truck was down \$66,000 from last year, overall net is up around \$100,000 from last year. Other Revenues would include Cell Phone reimbursement, Firefighters Duty/Inspections. The Special accounts would reflect any reimbursement from insurance. Some of the insurance reimbursements are directly credited to the expense accounts.

Page 3 & 4, Statement Appropriations and Expenditures from Operations, budgeted amount of \$740,159, expenditures of \$708,014, there was a \$32,145 surplus, this is basically the same as the report that the board sees each month from the Treasurer's report. Mr. Stefanski stated that eventually this would be transferred into the Reserve account, although he would recommend setting up some type of reserve, but not transfer the money until the taxes come in.

Page 5, General Fund, Analysis of Changes in Fund Balance, Take the Fund Balance, Add Revenues, Less Expenditures from Operations, provides the Fund Balance of \$558,633, which ties back to page 1 in the balance sheet. Page 1 shows the cash, page 5 shows the net effect from the revenues and expenditures. We have the beginning fund balance then additional revenues, less expenses from operations also expenditures from the special account, scholarships, New Truck, Fire Alarm and Tax Sale Expense, which reflect the total Fund Balance.

Page 6, Statement of General Fixed Assets, Total assets are valued at \$5,749,061. The Land/Buildings, no change Vehicles went up a net of \$10,000 (bought and sold truck), assets were up by \$118,000. For record keeping purposes the records are valued at cost, the buildings are recognized at accessed values, new vehicles are valued at the cost. The Inventory looks great, Chief Stanley provides an updated list each year of added equipment and equipment that has been removed. He would not be surprised if next year we are required to do another inventory with the new audit. This report also lists the principal values of the loans as of June 30<sup>th</sup>. Also listed is the Reserve for Encumbrances reflecting a balance of \$191 as of June 30<sup>th</sup>. Next year it will be taken off the report as the \$5,000 obligation has been fulfilled.

Page 7 & 8, Notes to the Financial Statements, Page 7, explains the basis of accounting where taxes are recognized as revenue when levied and expenditures are recorded when goods or services are received regardless of when the cash payments are made. Identify loans and details on the balance and terms on loans. Page 8 lists the summary of loans as of June 30<sup>th</sup>, 2014.

Mr. DeBernardo motioned to accept the Audit Report as presented and Ms. Ure seconded the motion. With no further discussion, all in favor, all aye, motion passed unanimously (4-0).

Mr. Holt-yes; Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Schaarschmidt-yes

Based on new legislative requirements, Tier 1 Fire Districts are required to have (GASB) Standard CPA firms that are approved by the state to perform the audit. Chairman Holt asked if both Mr. Stefanski and Ms. Nicotra could review the Audit Bids and Specifications and provide feedback after reviewing the documents. The board thanked Mr. Stefanski for his services and thanked him for taking the time to come this evening.

Ms. Ure motioned to have a letter of commendation be written on behalf of the board to Mr. Pete Stefanski for his exceptional years of service and loyalty to the Hope Valley/Wyoming Fire District. Mr. Schaarschmidt seconded the motion. With no further discussion, all in favor, all aye, motion passed unanimously (4-0).

Mr. Holt-yes; Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Schaarschmidt-yes

Chief Stanley informed the board that he would like to borrow from the Reserve Account in the amount of \$47,532.00 for Air packs for HazMat. It may take approximately 30 – 45 days to receive the reimbursement from the State. Ms. Nicota will put this against Acct. # 9999 - Uncategorized Expenses so that she can keep track of it. We will be over extended in one of our line items then will reimburse the line item after the check is received.

### **CHIEF'S REPORT**

The Chief's report was presented for January 2015. The board discussed the following points of interest:

Chief Stanley informed the board that the use of a Personal Vehicle for a new Chief would be quite expensive. He recommended adding into the budget a vehicle as a Capital outlay or adding it into the budget.

During Legislators night, seven legislators were in attendance. Chief Stanley will be meeting with Senator Morgan and Kathleen Fogarty, as well as meeting with the Speaker of the House to discuss the bills of concern.

Chief Stanley informed the board that enclosed for their review is the amendment to the charter of 2001. Listed within the charter reflects the qualifications of the Chief's position. Also within the charter, it states that in the event that the board of directors does not deem a person to meet the qualifications that the board may appoint a special committee to determine which qualifications may be modified in order to fill the vacancy. Chief Stanley informed the board that he heard that Scott Barber was approached to apply for the District Chief's position. Chief Stanley informed the board that Scott Barber would not be eligible as he does not live in the district and would not meet the charter requirements. He feels we have very good candidates within the department to consider.

The board reviewed legislation related to Fire Districts that would have significant increases to fire districts. Some of the changes would be requiring a district to not borrow more than 5% of a budget and another requiring a total of 2% of total registered and qualified voters attend the annual meeting.

Mr. DeBernardo motioned to accept the Chief's Report for January 2015 and Ms. Ure seconded the motion. With no further discussion from the Chief's report, all in favor, all aye, motion passed unanimously (4-0).

Mr. Holt-yes; Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Schaarschmidt-yes

### **CHIEF'S SPECIAL REPORT TO THE BOARD OF DIRECTORS**

Mr. Schaarschmidt motioned to reject the report and Mr. DeBernardo seconded the motion. With no further discussion, all in favor of rejecting the report, motion passed unanimously (4-0).

Mr. Holt-yes; Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Schaarschmidt-yes

The board discussed the opposition to proposed legislation. Ms. Ure motioned to have a letter written from the board to oppose legislation (2015 H 5343, 2015 H5344, & 2015 H5345) recently introduced effecting Fire Districts. Mr. Schaarschmidt seconded the motion. With no further discussion, all in favor, all aye, motion passed unanimously (4-0).

Mr. Holt-yes; Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Schaarschmidt-yes

The board discussed the recent proposal from Happy Feet Lawn care for fertilization of the lawn at \$72.00 per treatment 4 or 5 times per year for a total of \$288.00 or \$360.00. Ms. Ure motioned to accept the bid proposal from Happy Feet Lawn care and Mr. Schaarschmidt seconded the motion. With no further discussion, all in favor, all aye, motion passed unanimously (4-0).

Mr. Holt-yes; Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Schaarschmidt-yes

The board is to review the bid for Mowing and Trimming of the Lawn next month.

Chairman Holt will email qualifications for the District Chief and the announcement to Post the Fire Chief Position for further discussion at the next meeting.

At the next monthly board meeting the board will discuss the oral board and select who they are and establish a date.

### **CORRESPONDENCE**

#### **Incoming:**

1. State of Rhode Island, Amendment to the Charter of the Hope Valley-Wyoming Fire District as amended January Session, A. D. 2001, copy for the board's review.
2. Section II, Tier I Fire Districts, Audit Bids and Specification Template, (Form FD-8) as required by new legislation.
3. Letter from John P. Mainville, Finance Director, Town of Burrillville, regarding legislation related to fire districts and impact on taxpayers.

**Outgoing:**

1. Letter addressed to the Board of Directors, Hope Valley-Wyoming Fire District, from Frederick A. Stanley, Hope Valley/Wyoming Fire District, regarding letter of intent from Chief Frederick A. Stanley regarding his intent to retire from the Hope Valley-Wyoming Fire District.
2. Letter addressed to Chief Rick Susi, Ret., Executive Director, R.I. Association of Fire Chiefs, from Frederick A. Stanley, Hope Valley/Wyoming Fire District, regarding Annual Installation of Officers and Special Awards Night.

**PUBLIC FORUM**

No Public forum this evening.

**ADJOURN**

A motion was made to adjourn at 8:41 p.m. by Mr. DeBernardo and seconded by Ms. Ure. With no further discussion, all in favor, all aye, motion passed unanimously (4-0).

Mr. Holt-yes; Mr. DeBernardo-yes; Ms. Ure-yes; Mr. Schaarschmidt-yes

Respectfully submitted,

Julie Kelley  
District Clerk